

notification provisions can not overshadow the bill's basic shortcomings. That basic flaw is that the Congress through this measure hands the President broad authority to initiate, negotiate, and present trade agreements to the Congress. The Congress must then consider those agreements by an up-or-down vote with little or no debate and no opportunity to offer amendments.

That is where we get off the track. They may call it the fast-track process. But that is where we leave the constitutional track. That is where we leave the track, which under the Constitution, says that the Senate has the right to offer amendments.

While the Members on the committees of jurisdiction may have the opportunity to influence and develop the implementing legislation, for all practical purposes, this bill obliterates the voices of most of the Members of Congress when it comes to international trade agreements.

The Constitution says that revenue measures shall originate in the House of Representatives but that the Senate may amend as on other bills. But here in this so-called fast track, the agreement is presented to the Senate to accept—up or down, with no amendments in order.

Take it all or nothing. Frankly, I have little faith that consultations with the administration will have much impact—this or any other administration, if we are to be guided by recent administrations.

Such consultations—with this or any administration—usually do not yield significant results. They have not thus far, in recent years certainly.

So consult and notify as you will, but I am well aware of the likelihood that the President will sign an agreement, an implementing bill will stealthily materialize, and Senators will be provided with an immense document which they have little ability to change.

It is take it or leave it. This is where we leave the track. This is where we part company as far as I am concerned. Under this bill, Senators' "meaningful" role in trade pacts will continue to be a yes-or-no vote on legislation that can affect millions of American workers and their communities.

Perhaps I would be more enthusiastic about fast-track procedures if I believed that past trade agreements implemented under fast-track rules were beneficial to the nation as a whole.

Regrettably, I believe that past agreements, such as the North American Free Trade Agreement, NAFTA, which I voted against, have poorly represented the concerns of the average American worker.

By eroding the carefully crafted checks and balances provided under the Constitution, our current trade policy poorly represents the broader interests of American society.

Why can't the Senate be given an opportunity to at least offer 1 or 2 or 3 or 4 amendments? I am not suggesting

that the Senate ought to be the arbiter over every little, teensy-weensy item in a trade agreement. I am not suggesting that at all. Obviously, we can't do that. But to say that the Senate cannot amend, can offer no amendments is off the track. To me that doesn't comport with the Constitution which provides that the Senate may offer amendments to bills.

Trade agreements, in principle as well as in practice, always have winners and losers. I believe the underlying issue for the average American worker is precisely who benefits most from our trade negotiations. I believe that the average American worker perceives that a select few U.S. industries keep winning, while other domestic industries keep losing, and that the promised "trickle down" of benefits from the winners to the losers never actually trickles.

Some will say that the benefits have not yet had time to trickle down. But data available today demonstrate a most distressing trend toward U.S. income inequality. That is: the rich keep getting richer and the poor keep getting poorer. Under fast-track rules, Senators cannot challenge trade provisions that appear inappropriate or unfair. They cannot question trade provisions which seem to contain juicy deals for specific industries or companies, but hold few guarantees for the average American worker just trying to make ends meet, take care of family responsibilities, and save a little bit for retirement.

Thus, it should be no mystery to Members of Congress as to why the American public is increasingly skeptical about our trade policies. During the NAFTA debate there were promises that the agreement would create lucrative economic gains for Americans—all Americans. American workers remember this promise, and they have judged that the promised gains have not materialized.

We need to wise up. Our trade negotiators are under strong pressures from certain influential industry sectors in our economy to negotiate deals which benefit them. To achieve these deals, our negotiators often offer our trading partners concessions, such as tariff reductions that adversely affect less influential U.S. industries. Such concessions, I believe, are not usually properly reviewed. Too often, the benefits achieved in our trade agreements are insignificant compared with the costs to the individual workers, and the total costs to the economy. Worse, many of the negotiated provisions to benefit U.S. industries fail to materialize because our trading partners fail to implement the promised reforms.

Therefore, we end up imposing enormous costs on various groups and segments of our economy and wind up with nothing to show for the damage. We end up with that pretty silk stocking filled with worthless mud.

Average American workers live in my state of West Virginia. They work

hard for their money, very hard indeed. They labor in the coal mines, on small family-operated farms, in steel, glass or chemical manufacturing plants. These hard-working families deserve a fair slice of the pie. These and other American workers elected the various members of this body to look after their interests in national trade matters. Senators simply cannot adequately fulfill this obligation under fast-track procedures.

The Constitution established a system of government that has served the United States well for over 200 years. It created a nation filled with the promise of opportunity for all. It is our duty to do our best to make certain that the interests of every American are considered when it comes to matters of trade.

We live in an increasingly globalized world economy. I am not a protectionist and I am not against fair and free trade. But I would vote to preserve the Senate's essential role in its right to amend bills and in regulating foreign commerce. I would vote against fast-track procedures, as I have in the past, procedures that camouflage provisions that simply might not be acceptable to the majority of Americans.

I urge my colleagues to carefully consider the institutional and practical problems that fast track presents. The Constitution is clear: Congress is assigned the power "to regulate Commerce with foreign Nations; and to 'lay and collect duties, imposts and excises.'"

The Constitution is also clear on the point that the Senate has the power and the right to amend legislation that comes before this body.

Let us not again so easily relinquish our constitutional power when it comes to issues of such importance to American working families.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. I ask unanimous consent to speak as in morning business for a period of 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Reserving the right to object, how much time?

Mr. GREGG. Five minutes.

The PRESIDING OFFICER. Without objection, the Senator from New Hampshire is recognized.

BUDGET DISCIPLINE

Mr. GREGG. Madam President, I wanted to return to the floor; I have spoken about this issue before, but I wanted to continue to raise the issue because as we move into the final weeks of this session of the Congress, it is one of the core issues we have to address; that is, the question of budget discipline as a Congress.

It has taken us a long time—29 years, I believe—to get to a surplus, but this year we finally have a surplus. The American people place great faith in that and appreciation in that, and we as a Congress, obviously, are proud of the fact we finally reached a surplus. It was done as a result of a lot of hard work. We made some difficult decisions. We tightened down on the spending of the Federal Government and we especially maintained fiscal discipline here in the Congress. We did that through the use of what are known as caps. We set a budget in place, we had a 5-year budget agreement with the President last year, and it has led us on a glidepath to a surplus. The key to that budget agreement was that we set spending limits. We said: “We shall not exceed those spending limits.”

Unfortunately, as we move towards the closing days of this Congress, we appear to be at the point of almost saying that the caps are irrelevant, that the disciplining effects which they had which got us to this surplus are going to be cast overboard. That is because we have something coming at us called an emergency supplemental.

An emergency supplemental is not an emergency, it is simply a bunch of spending which is going to be done outside the budget process, independent of the caps. On top of the spending which we said we would make, we are going to add new spending. It is as if you were running a household and you had income of \$100 a week and you set your spending on your grocery bills and your electric bills so they would meet that \$100. And then suddenly you said, “I happened to make \$110 this week so I am going to spend \$110—well, no, maybe I’ll spend \$120. I am not going to limit my spending by what I had originally planned, I am simply going to raise it arbitrarily.”

That is what is happening here. We are using a vehicle called an emergency supplemental to arbitrarily increase the spending of the Federal Government. The projection now is that we are going to have an emergency supplemental somewhere in the vicinity of \$20 billion. That is a lot of money. That is going to have a very dramatic impact on the surplus, because the surplus is projected to be not a great deal higher than \$20 billion. It could literally, depending on the economic effects of the Asian situation and the slowdown of the American economy, it could literally slow down arriving at the surplus if we spend \$20 billion more than we budgeted for, to exceed the caps in that way.

Why does it get designated as an emergency? It gets designated as an emergency because, if it didn’t get designated as an emergency, it would be subject to a point of order and you would have to get 60 votes in order to spend it. But if it is designated as an emergency, it does not get hit with a point of order and therefore it can be spent with just a majority of Congress supporting it. So the budget discipline is lifted off.

What are these emergencies? One of the emergencies is that the year 2000 is coming. As my colleague from North Carolina, Senator FAIRCLOTH, who happens to be one of the more original folks around here, said: Are we just suddenly learning that the year 2000 is coming? That is hardly an emergency. We know and we have known for a long time that the year 2000 is coming. Thus, the additional \$3 billion to address that is not an emergency. It should have been budgeted for.

Another emergency is Bosnia. Did we suddenly find out that we are in Bosnia? No. We have known we have been in Bosnia for quite a while. Obviously, that is not an emergency.

Another emergency happens to be the farm program. Originally it was asking for \$2 billion in emergency spending. Now it is up to \$4 billion. The leader on the other side wants to make it \$7 billion. I have to tell you, every year that I have been in the Congress the farm program has come to us and asked for an emergency spending bill. There is no emergency here, other than the fact that that is the way the money gets spent—outside of the budget process. We all know that certain areas of this country every year are going to have problems with their farm program. It is simply a function of weather and factors like weather. In this case, it is a function of the international economy going flat. But every year we have this. It is a predictable event, so it is not an emergency. It is something that we should be anticipating.

Then we hear also that the President is going to come forward with emergency spending for defense. Clearly, defense needs more money. It is rather unusual that the President should be saying this, because for the last 6 years he has essentially tried to cut defense and increase spending on all the other programs in the Federal Government on the back of defense, and now it suddenly becomes an emergency that he has figured out that after 6 years he has cut defense so dramatically that it is in a horrendous situation and we are basically heading towards a military establishment which may be a shell, which may not be able to deliver the defense of the United States.

That may be an emergency in the sense that it is a clear threat to this country, but from a fiscal standpoint it was a known action which was taken by this administration over the last 6 years, to savage the defense budget, which has led us to this point. If it is the desire of the administration to suddenly increase defense funding, they should do it within the context of the budget process and take money from some of their beloved programs for which they have moved money out of defense and into those programs—take it back from those beloved programs and put it back in defense spending so this country is adequately defended.

So the fact is, as we head towards the closing days of this session, we confront a potential hemorrhaging of the

budget process through an emergency supplemental. We are hearing with crocodile tears, I think, a lot of talk from the leader of the other body and from the Vice President, and even the President to some degree, that any tax cut would be an attack on the Social Security trust fund because any tax cut would come out of surplus and thus would be taken from the Social Security trust fund. That is the mantra, now, of the political operatives of this world who work for the Democratic Party, the James Carvilles. That is what they are going to try to label Republicans: “You are going to cut taxes and you are going to cut Social Security, because that’s going to come out of the surplus.”

What is good for the goose is good for the gander. If that is the case when the President sends up here a \$20 billion supplemental request, many of which are not emergencies but which are predictable events—like the year 2000, like the agricultural situation, like Bosnia, like the defense issues—if they are going to send that amount of money up and ask that it come out of the emergency supplemental funding process, which means it comes directly out of the surplus, that also is an attack on Social Security in the same context as a tax cut on the Social Security trust fund. You can’t have it both ways, Mr. President and members of the administration. You can’t be saying a tax reduction has an impact on Social Security but the emergency supplemental doesn’t. They both do, because the surplus is a function of excess tax revenue coming in under the Social Security trust fund.

What should we do? The proper fiscal thing to do is to offset this funding, these expenditures which we are going to undertake on the emergency supplemental. Granted, we can’t do it all, I accept that, but we should certainly offset a large percentage of it. So before we come out here and hemorrhage the discipline that got us to a surplus, undermining the core elements that gave us fiscal solvency as a Nation for the first time in 29 years, I think we should pause and think about that and say, “Listen, maybe we ought to step back, try to figure out a way to pay for this supplemental so we don’t undermine the budget process and undermine the surplus and, to some degree, undermine the Social Security trust fund.”

Madam President, I yield the floor.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Madam President, I appreciate the remarks of the Senator from New Hampshire. Many of the economists give credit for the financial position of this country to the President and those who voted for the 1993 Budget Act, for which not a one on the side of the Senator from New Hampshire voted.

Secondly, the CBO, which is an appointment of the majority party, has said there will only be a \$31 billion surplus in the general fund at the end of 10

years. He is partially right in saying if we have an emergency supplemental that it would come from the surplus, which is basically Social Security. Any tax break that is given comes from Social Security. I think whatever we might believe about the President, if a bill that goes to his desk that takes part of the Social Security trust fund money and spends it for a tax break or anything else that he will veto it, because the economic situation of this country is still an amazement to the rest of the world, how we have put our economy and our economic position in place.

What is an emergency? I think the rules are basically something similar to this. I don't have it before me to read. But it is something that doesn't come all the time, it is unexpected. The Senator from New Hampshire says you can expect a drought, or you can expect too much water, or you can expect all these things, so you should fund for it. I have gone through years when we didn't have an emergency in the farm community. I have gone through years when we did not have an emergency appropriations. So, therefore, you didn't need to budget it.

Secondly, the emergency is something that occurs and is not in perpetuity. The tax cut goes on; it doesn't stop. If you have an emergency now, you try to take care of that emergency; if it doesn't occur again, you don't have to do it again. If you give a tax break, that goes on forever, in perpetuity. So there is a difference between a tax cut and an emergency supplemental appropriations. It isn't something that reoccurs; you do it one time.

As we look at the Freedom to Farm bill that was heralded as the savior for the farm program, we see now that it really doesn't work; there is no safety net for the farmers. There is a crisis in the Midwest. The farmers who raise the grain have had a lot of trouble, and it is not necessarily no rain, a drought, and so forth, but prices. The North American Free Trade Agreement, which only seven of us in the Senate voted against at the time, has now come back to bite us. When you find farmers standing at the border between the United States and Canada preventing those 18 wheelers from coming in, it is somewhat understandable that we should be concerned about it.

I hope we can sit down and work out whatever moneys are necessary as it relates to an emergency supplemental, particularly for our farmers and particularly in defense.

I did not want the Senator from New Hampshire to get up and say all these things as fact without having a little bit of the other side from whom some people refer to as a moderate Senator from Kentucky. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Arizona.

WENDELL H. FORD NATIONAL AIR TRANSPORTATION SYSTEM IMPROVEMENT ACT OF 1998

The Senate continued with the consideration of the bill.

Mr. MCCAIN. Mr. President, I say to my friend from Kentucky, I believe we now have an agreement on the managers' amendment.

AMENDMENT NO. 3618

(Purpose: To make minor additions and corrections to the reported bill)

Mr. MCCAIN. Mr. President, I send the managers' amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for himself and Mr. FORD, proposes an amendment numbered 3618.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. MCCAIN. Mr. President, I ask unanimous consent that the amendment be considered as part of original text for purpose of amendment.

The PRESIDING OFFICER. Is the body ready to vote on the amendment?

Mr. MCCAIN. Mr. President, I ask unanimous consent that the amendment be considered as part of the original text for the purpose of amendment. This is a substitute amendment.

The PRESIDING OFFICER. Is there objection to the adoption of the amendment and inclusion as part of the original text?

Mr. FORD. Reserving the right to object, let's be sure we have the parliamentary procedure correct. This is a managers' amendment that is a part of the original bill as filed subject to amendment.

Mr. MCCAIN. Subject to amendment.

The PRESIDING OFFICER. It will be considered as part of the original text for the purpose of amendment and will be subject to amendment.

Mr. FORD. I wanted to be sure. There is not any hanky-panky going on here, I know that. Every once in a while, we find we have to make a unanimous consent request to get us out of a parliamentary problem.

The PRESIDING OFFICER. Is there objection to the adoption of the amendment? Without objection, the amendment is agreed to.

The amendment (No. 3618) was agreed to.

Mr. MCCAIN. Mr. President, now I ask that my colleagues, again, who are interested in this bill—we have a little less than 2 hours remaining—who wish to debate this bill, who wish to discuss it, who wish to amend it, please come to the floor and do so. The Senator from Kentucky and I intend, again, to achieve a final list of amendments for tomorrow. We have every intention of

completing this bill by tomorrow evening.

I want to put my colleagues on notice. We have been working on this bill for a long, long time. If there are not Members who come to the floor to propose their amendments, then I will move to go to third reading of the bill, because there is no point in us going all the way tomorrow and into Friday and not having completed this legislation. I repeat, it must pass.

I have heard personally from a number of Members who have strongly held views on this legislation, particularly the Senators from Maryland and Virginia. I will point out, Mr. President, that one of the Senators from Virginia, Senator WARNER, has had a tragedy in his family, which is why he is not here to debate the bill at this time.

I, again, urge my colleagues to come to the floor in the next couple of hours to either propose amendments or debate the bill.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. I thank the Chair.

Mr. President, I would like to preface my comments by commending the floor leaders, my good friends, Senator MCCAIN and Senator FORD, for the leadership they have provided in getting this piece of legislation through the committee and on to the floor. I am not unmindful of the fact there are some points of contention, but both of them have provided the kind of leadership and experience and real statesmanship we have come to expect from both of these two leaders. And I, for one, want to praise them for their leadership.

I want to talk about one of those points that has become historically somewhat vexing when we deal with an FAA piece of legislation, and that is the so-called perimeter rule. The perimeter rule is extremely important to my State, Nevada, and particularly the expanding markets in southern Nevada. Within the next year, 20,000 new hotel rooms will come on line. It will be critically important to have additional air capacity going into southern Nevada in order that those new hotel rooms can be filled. The Metropolitan Las Vegas area will have in excess of 120,000 hotel rooms within the next 18 months.

I know of no place in the world that has that concentration of hotel rooms. It is no secret that the mainspring of the economy in southern Nevada, as well as the entire State, has been for decades tourism. And because of the relative remoteness and isolation of southern Nevada, air transport is a critical factor for our continued economic viability and the expansion that we have enjoyed over the years.

I was able, with the support of the distinguished chairman of the committee, the senior Senator from Arizona, to convene a hearing in Las Vegas earlier this spring, because one of the challenges that we face in providing